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# **Leadership At Its Strongest**

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What Successful  
Managing Partners Do

By

Robert J. Lees

August J. Aquila

Derek Klyhn

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Published by  
Bay Street Group LLC  
PO Box 5139  
East Hampton, N.Y. 11937 U.S.A.  
[www.baystreetgroup.com](http://www.baystreetgroup.com) / (631) 604-1651

ISBN-13: 978-0982714751  
ISBN-10: 0982714750

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**Advance Praise**

*“Leadership At Its Strongest* is a powerful book. Rob Lees, August Aquila and Derek Klyhn have captured the essence of leadership. You won’t be disappointed! A must-read for anyone who leads a firm or team.”

– **Richard Caturano,**

Chairman, American Institute of Certified Public Accountants; Executive Managing Partner-Boston, McGladrey LLP

“You can read a 600-page tome from one of our profession’s management gurus or you can read this slim volume of insight and wisdom. I recommend the second choice. Use the time savings to put this good advice to work in leading your firm.”

– **Bob Bunting,**

Past CEO, Moss Adams, Chair International Services Group

“This is an excellent road map for being a successful managing partner. It touches on both the strategic as well as the soft-skill people issues, both of which are necessary to lead a professional services firm in this day and age. Many years of collective wisdom are captured in this short piece – A very worthwhile read!”

– **Gordon Krater,**

Firm Managing Partner, Plante & Moran, PLLC

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# Leadership At Its Strongest: What Successful Managing Partners Do

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Professional services is one of the most critical sectors in all Western economies and an increasingly important one in every other world economy. But, the usual measures of scale, like revenues, the number of firms or the number of professionals, don't adequately reflect the importance of the sector.

What makes professional services so critical is the influence professional firms have on their clients' activities. Whether the influence comes through strategic advice, legal opinion, transaction origination and support, tax minimization, or an audit opinion, every business is reliant, in some form, on the opinion of a professional services firm.

In addition, and at least as important given the move away from self-regulation, there is the critical regulatory role of the accountants and lawyers tasked with ensuring the probity of the world's financial markets. All of which makes the task of ensuring that each of the firms is a role model of its profession's expertise, values and ethics absolutely key.

When firms were relatively small, that wasn't a difficult task. However, as firms have increased in scale, geographic reach and service offerings, the task of running a professional services firm has become extremely complex. And that's without considering changing client expectations, increasing

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# 1. THE MODEL

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Our model of what successful managing partners do is adapted from the leadership model in *When Professionals Have To Lead* (Harvard Business Press, 2007), which Rob co-authored with Tom DeLong and Jack Gabarro.

We have used the same overarching dimensions of Direction, Commitment, Execution and Personal Example, but have modified the behaviours to identify what successful managing partners do. As we firmly believe that firm context should be a major influence on the choice of managing partner and what managing partners are tasked to do, we have also made Context an explicit variable, rather than the implicit one it is in *When Professionals Have To Lead*.

Our work shares the same underpinning as *When Professionals Have To Lead* that professional services firms are different from their corporate counterparts in a number of ways, which impact their functioning and, therefore, their leadership.

Regardless of their ownership structure, most professional services firms either operate as partnerships or would prefer to operate as partnerships. The tensions between being a business and the loss of the values and ethics of being a partnership featured strongly in our discussions and are referred to in how managing partners gain and sustain their partners' commitment.

The compressed hierarchy and the loosely coupled nature of

## 2. Setting Direction

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Without exception, all of the partners we spoke to talked about the need to have a clear sense of direction that the partners, in particular, could coalesce around. But what they considered even more important is the translation of that direction into a compelling vision and the strategies for achieving it.

And compelling is the key word. If the vision isn't compelling, if it doesn't resonate with the partners, then their willingness to embrace the ideas and take action is greatly reduced, as, therefore, is the firm's momentum.

Put simply, the partners must own the direction and strategies, as they are the people who will implement them. The managing partner has a major role to play in helping the partners sustain their enthusiasm and commitment, but, as we know, change only occurs where the work gets done.

The managing partner of one of the firms we talked to

### Direction

- Provide a compelling direction and strategy
- Know where the firm "is" and what is possible
- Focus people's attention and actions around key priorities
- Constantly assess the firm's markets and determine when and how to respond
- Share successes that clarify what the future looks like

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## CHAPTER QUESTIONS

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1. Do you believe that setting direction is the first thing to do?
2. As the managing partner have you created a compelling direction that your partners are committed to?
3. Are you realistic about what the firm can do and can't do?
4. How do you keep your partners engaged in the future of the firm?
5. Have you been successful in the translation of the firm's direction into a compelling vision and the strategies for achieving it?



## 3. Gaining Commitment

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In our work with managing partners, we always talk about the importance of the partners “walking together,” of sharing that common vision.

But if the partners are to share the vision, they have to play an active part in determining the firm’s direction – and, critically, how it’s going to get there.

In most firms, and particularly those with multiple locations, the partners typically give their proxy to the managing partner and the executive team to come up with the options they believe face the firm in its drive for sustained high performance.

In the very best firms, the partners debate the options and, while it is incredibly rare for every partner to agree with every single aspect of the vision and strategy, the partners agree to line up behind the ultimate decisions.

There are no destructive conversations at the coffee machine

### **Commitment**

- Take the partners with them
- Motivate, empower and trust their partners
- Keep repeating the message
- Balance being a business and a profession
- Focus on the people who want to go with them rather than the people who don’t

## 4. Execution

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Momentum is critical in driving change, so it is no surprise that the initiation of activities that drive and support the strategy is key.

It is also one of the reasons why focus is critical. And yet one of the mistakes we see, more so in law firms than accounting or consulting firms, are initiatives having too much time between them.

Time, which enables people's attention to revert to "the day job," to the thing professionals like to do best of all – serve clients. And while client service must never be compromised, managing partners must not let their partners' attention be diverted from also implementing the strategies supporting the agreed direction.

Partners find it all too easy to revert to client work (it's what they are good at as well as what they like doing), and successful managing partners recognize this reality and keep their partners' heads up with a combination of focussed activities, the incessant repetition of the message, and by rapidly sharing successes across the firm.

### Execution

- Initiate activities that drive and support the strategy
- Appoint people who help them get things done
- Help the partners be effective leaders
- Help clients and the firm's people exceed their expectations
- Stay on top of the firm's finances

## 5. Personal Example

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Not every firm can be the market leader.

But every firm can have a culture of excellence, of striving to be the best at everything they do and of reinventing themselves as the markets for both clients and people change.

Professionals – people with a high need-for-achievement – like to work in the firms they believe are the best, doing really stimulating work on the best clients and working with colleagues they see as their intellectual equals.

And with the inexorable link between people and clients, sustaining the supply of talented people needs an absolute commitment to doing everything to the best possible standard, which, of course, means being clear about what the “best” is now and, critically, what it’s likely to be in the future.

### Personal Example

- Demonstrate an unswerving commitment to being the best
- Seek and listen to the opinions of others but know when it’s time to act
- Reinforce the need for sustained high performance through their own actions
- Stay close to their/the firm’s key client relationships
- Avoid the minutiae of management
- Take the tough people decisions
- Ask for help when they need it

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## 6. A Few Final Thoughts

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One of the things that there was universal agreement about was that the role of managing partner is just too important and too complex to leave the selection of the appropriate candidate to chance.

With the scale of the challenges firms are facing, no firm we know can afford not to identify and develop a group of partners with the ability to successfully take on the role of managing partner in the future.

We say “group of partners” as this is where context is absolutely critical. The right person to lead a major geographic, cross-cultural expansion isn’t necessarily the right person to take tough decisions to correct reducing financial performance or to deal with significant changes in the firm’s business model in response to changes in technology and low cost competition.

For firms, the key is to identify a number of potential managing partners and give them experience of operating in different contexts, which can then be used to determine who is most suited to the challenges the firm faces at the time of the managing partner’s appointment and during their likely tenure.

Making the right call, choosing the right managing partner, is critical to every firm’s future success. And what we know from our research and all of our work in professional firms is that successful managing partners are strong and effective

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## ABOUT THE AUTHORS

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